

Paul Rachmuth (pr1566)
GERSTEN SAVAGE, LLP
600 Lexington Avenue
New York, NY 10022
Telephone: (212) 752-9700
Facsimile: (212) 980-5192
prachmuth@gerstensavage.com

**HEARING DATE: December 3, 2009
9:45 a.m. (Eastern Time)**

**OBJECTION DEADLINE: November 25, 2009
4:00 p.m. (Eastern Time)**

- and -

Daniel C. Girard
Eric H. Gibbs
A. J. De Bartolomeo
GIRARD GIBBS LLP
601 California Street, Suite 1400
San Francisco, California 94108
Telephone: (415) 981-4800
Facsimile: (415) 981-4846

Class Counsel in General Motors Dex-Cool/Gasket Cases
and General Motors Cases, Anderson v. General Motors

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

MOTORS LIQUIDATION COMPANY, *et al.*
f/k/a General Moters Corp., *et al.*

Chapter 11

Case No. 09-50026 (REG)
(Jointly Administered)

Debtors.

**RESPONSE OF THE DEX-COOL AND ANDERSON CLASS CLAIMANTS
TO DEBTOR'S TENTH OMNIBUS MOTION PURSUANT TO 11 U.S.C. § 365
TO REJECT CERTAIN EXECUTORY CONTRACTS AND RESERVATION OF
RIGHTS TO AMEND PROOFS OF CLAIM FOR POST REJECTION DAMAGES**

TO THE HONORABLE ROBERT E. GERBER,
UNITED STATES BANKRUPTCY JUDGE:

Class Counsel for and on behalf of the class members of the Class Actions defined below respond to Debtors Tenth Omnibus Motion pursuant to 11 U.S.C. § 365 to Reject Certain Executory Contracts (Docket # 4458) ("Motion") and respectfully state as follows:

1. Among the executory contracts Debtor seeks to reject in its Tenth Omnibus Motion are class action settlement agreements reached in *General Motors Dex-Cool/Gasket Cases*, JCCP No. 4495 (Cal. Super., Alameda County), *Gutzler v. General Motors Corp.* Case No. 03CV208786 (Mo. Cir. Ct., Jackson County) (both collectively the “Dex-Cool Class Action,”) and *General Motors Cases, Anderson v. General Motors*, JCCP No. 4396 (Cal. Super., Los Angeles County) (the “Anderson Class Action”, and with the Dex-Cool Class Action, the “GM Class Actions”).

2. Counsel for the affected classes have recently entered into a stipulation with Debtor providing for the filing of class-wide proofs of claims and do not oppose the relief requested by Debtor’s Tenth Omnibus Motion. Class counsel does, however, submit this response to provide the Court with some background information regarding the GM Class Actions.

The Dex-Cool Class Action

3. In April 2003, class action cases were filed against General Motors Inc. (“GM”) in federal and state courts around the country alleging that Dex-Cool engine coolant failed to protect engines as promised and instead caused various problems, including failure of lower intake manifold gaskets in certain GM vehicles. Consumer classes were certified in a Missouri state court action entitled *Gutzler v. General Motors*, and later in a California state court coordinated proceeding entitled *General Motors Dex-Cool/Gasket Cases*, before the litigation eventually settled with GM’s agreement to pay class members reimbursements ranging from \$50 to \$800 for Dex-Cool related repairs. On September 5, 2008, the *Gutzler* court approved the parties’ settlement agreement and entered a final judgment incorporating its terms with respect to a Missouri-only class. The California court presiding over the *Dex-Cool/Gasket Cases* then approved the parties’ settlement agreement and entered a final judgment incorporating its terms with respect to the remaining 49-state class.

4. At the time of its bankruptcy filing, GM had paid class members approximately \$6 million pursuant to the Dex-Cool Class Action settlement agreements and

judgments. Another group of class members, whose original claims were deficient but had since cured those deficiencies pursuant to the terms of the settlement agreements and judgments, had not yet been paid and intend to submit class-wide proofs of claims in this proceeding.

The Anderson Class Action

5. The *Anderson* litigation was another California state court coordinated proceeding, JCCP 4396 (Cal. Super., Los Angeles County), this time arising from allegations that GM violated California's unfair competition and "secret warranty" laws by offering special benefits, typically in the form of a free 6 year/60,000 GM Protection Plan (normally valued at approximately \$1500), to some but not all California consumers whose Chevy Silverados suffered from an abnormal engine knock or piston pin noise condition, in violation of California state laws that require notice to all affected vehicle owners or lessees of the terms and conditions of the program, and how they may be eligible for the same benefits. A California class of Chevy Silverado owners and lessees was certified in November 2006, and later settled with GM for free repairs and cash reimbursements to those who had abnormal engine knock or piston pin noise in their vehicles, incurred specified engine repair expenses, or purchased a GM Protection Plan to address their concerns regarding abnormal engine knock or piston pin noise in their vehicles. Under the settlement, Class members with constant engine knock or piston noise conditions in their vehicles were entitled to also submit a claim for a free vehicle evaluation from a Chevrolet dealer and, if appropriate, free repairs to correct the condition. The *Anderson* court approved the settlement and incorporated its terms into a final judgment on May 5, 2009. Under the settlement and judgment, class members submitted claims directly to GM on or prior to May 11, 2009, and in light of this bankruptcy proceeding, these class members intend to file a class-wide proof of claim through their Class Counsel.

Submission of Class-Wide Proofs Of Claim

6. Though Class counsel believes that the bar date for any claim relating to the rejection of the GM Class Actions will be 30 days from service of an Order approving their rejection, with an abundance of caution we intend to file class-wide proofs of claim by

November 30, 2009. As the amount of some class members' claims have not been reduced to liquidated values, however, Class counsel reserves its rights to amend any filed proofs of claim.

DATED: New York, New York
November 25, 2009

/s/ Paul Rachmuth

Paul Rachmuth (pr1566)
GERSTEN SAVAGE, LLP
600 Lexington Avenue
New York, NY 10022
Telephone: (212) 752-9700
Facsimile: (212) 980-5192
prachmuth@gerstensavage.com

- and -

Daniel C. Girard
Eric H. Gibbs
A. J. De Bartolomeo
GIRARD GIBBS LLP
601 California Street, 14th Floor
San Francisco, California 94108
Telephone: (415) 981-4800
Facsimile: (415) 981-4846

Class Counsel in General Motors Dex-Cool/Gasket Cases and General Motors Cases,
Anderson v. General Motors